

**Statement of Senator Larry Craig**  
**Senate Special Committee on Aging**  
**“America’s Ailing Health Care System”**  
**March 10, 2003**

Good afternoon, and thank you to Senator Breaux for organizing this useful hearing focusing on the many and interrelated challenges facing our health care system, and on possible comprehensive solutions.

I think we all agree that the problems facing American health care today are multiple and menacing. After nearly a decade of relatively modest health care cost growth, we are once again suffering double-digit annual increases, particularly in prescription costs – And not coincidentally, we are also seeing ever growing numbers of Americans without health insurance.

Meanwhile -- and perhaps even more troubling -- our health care entitlement programs, Medicare and Medicaid, are approaching the point of hemorrhage. Just last month, Federal Reserve Chairman Alan Greenspan testified before this committee and sounded a sobering warning: we simply cannot afford to wait much longer to begin seriously tackling the long-term challenges of Medicare and Social Security – made especially acute by the looming retirement of our Baby Boom generation.

Today’s hearing will focus on how these serious pressures interact with one another – and on how we might respond to them in the years ahead. It is critical that we have this discussion.

This said, however, I would caution that our recent history on health care policy has not been kind to sweeping, top-down comprehensive approaches. Lest we forget, just nine years ago, the American people made abundantly clear their rejection of mandates, heavy regulation, and prescriptive solutions. This is not to say we should avoid the hard questions – far from it. But as we do so, our deliberations must, of necessity, weigh clearly what is and is not viable in the real world of American society and politics.

On at least one front, I am cautiously optimistic that we are beginning to move in the right direction. Last week, the President stepped to the plate with a thoughtful plan to provide needed prescription drug coverage to America’s seniors, but also – and just as importantly – to begin the necessary process of moving Medicare away from the top-down, bureaucratic dinosaur it is today, and toward becoming a sustainable, consumer-driven, and competitive health program with benefits and choices to fit the 21<sup>st</sup> Century.

Yes, there will be much hard legislative wrestling in the months to come as we determine, for example, what level of drug coverage is appropriate in which part of the program. Nevertheless, if we want an example of the kind of courage necessary for serious health care reform, the Administration’s Medicare plan is a good place to start.

Each of our witnesses today has been toiling in the vineyards of health policy for many years, and I look forward to their expert testimony. Thank you for joining us.

